
TOO GOOD TO BE TRUE....

A Column on Consumer Issues
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Understanding Your Telephone Bill Part 1

Do you have trouble interpreting your monthly telephone bill? Don't feel like you are the only one! The passage of the Telecommunications Act of 1996 and the many new competitors in the telecommunications marketplace have contributed to more complicated telephone bills. Learning to read and understand your telephone bill could save you money and will make choosing the calling plan that best suits your needs much easier and less frustrating.

This is the first of a two part series to help you understand your telephone bill. The following definitions and explanations are on basic telephone "lingo":

- ◆ **Local Exchange Carrier (LEC)** – the local or regional telephone company that owns and operates the lines to customer locations.
- ◆ **Long Distance Carrier** – the company that provides long distance phone service through the LEC for you.
- ◆ **Basic Service**– the fee you are charged by a local exchange carrier for the use of the local exchange network facilities.
- ◆ **Automated Number Identification (ANI)** – a service that provides the receiver of a telephone call with the number of the calling phone. This is what makes caller ID work. The telephone service provider determines whether and how this information is transferred.
- ◆ **Add-ons or "vertical" services** - special features such as call waiting, caller ID, call blocking, voice mail. Check your bill each month to make sure you are being charged only for the services to which you have subscribed.
- ◆ **Carrier** – A telecommunications provider that owns switch equipment.
- ◆ **Direct Dial (1+ Service)** – the service from your long distance company that is automatically accessed when a customer dials 1 + Area Code + Number
- ◆ **Long distance charges (Minimum Usage Fees)** – in addition to the costs of long distance calls you actually make, many long distance carriers are now charging minimum monthly fees, usually between \$3 and \$5, even if you do not make long-distance calls, depending on the calling plan selected. If you must pay a

- ◆ minimum, make sure your calling volume warrants it; sign up for a plan that charges low rates to the destinations you call, during the hours you call.
- ◆ **Interstate** – calls between multiple states. The Federal Communications Commission (FCC) regulates these calls.
- ◆ **Intrastate** – calls within the state. The Public Service Commission (PSC) regulates these calls.
- ◆ **Letter of Agency (LOA)** – the document that authorizes changes to your service provider.
- ◆ **Primary Inter-exchange Carrier (PIC)** – is the long distance company that is automatically accessed when you dial 1+ to make a long distance call.
- ◆ **PIC Code** – the unique identifying number assigned to each long distance provider. Your local telephone company uses this code to indicate who your long distance provider is.
- ◆ **PIC Freeze** – this prevents the long distance service from being switched to another without your permission. Helps prevent slamming – the unauthorized switching of your long distance service.

With knowledge of this basic telephone terminology, you have taken the first step to interpret your monthly telephone bill. Next week we will provide information on some of the state and federal charges on your telephone bill.

The Attorney General's Consumer Protection Division investigates allegations of fraud in the marketplace. Investigators also mediate individual complaints against businesses. If you have a consumer problem or question, call the Consumer Protection Division at 328-3404, toll-free at 1-800-472-2600, or 1-800-366-6888 (w/TTY). This article and other consumer information is located on our website at www.ag.state.nd.us.

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